



County of Los Angeles
CHIEF EXECUTIVE OFFICE

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Chief Executive Officer

April 3, 2008

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To: Supervisor Yvonne B. Burke, Chair
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From: William T Fujioka
Chief Executive Officer

SACRAMENTO UPDATE

State Budget Hearing on Proposition 36, Offender Treatment Program, and Drug Courts

On Wednesday, April 2, 2008, Assembly Budget Subcommittee No. 1 on Health and Human Services heard, and unanimously rejected, the Governor's proposal to reduce funding for Proposition 36 drug treatment, the Offender Treatment Program (OTP), and drug courts. Funding for Proposition 36 was reduced from \$120 million to \$100 million in the current year. In addition, funding for OTP in the current year was reduced from \$25 million to \$20 million. The Administration proposed another ten percent reduction to both programs, as well as drug courts, for FY 2008-09.

Committee members expressed their support for the three programs; however, they did warn that the issues may be reopened as budget negotiations progress.

Pursuit of Position on Legislation

SB 1236 (Padilla), as amended on April 3, 2008, would extend for five years the January 1, 2009 sunset date established by County-supported SB 1773 (Alarcon) of 2006 which authorizes counties to augment the Emergency Medical Services (EMS) Fund by collecting an additional penalty assessment for specified crimes. SB 1773 allowed county boards of supervisors, by resolution, to levy an additional \$2 penalty assessment on every \$10 penalty for all criminal offenses and moving violations, including speeding, seat belt infractions, domestic violence and driving under the influence, but only if the increased penalties did not offset or reduce the funding of other programs.

SB 1773 created a new pediatric trauma component of the EMS Fund which required 15 percent of the new EMS funds to be used for development and expansion of pediatric trauma centers. The majority of funds are allocated to physicians for emergency services in private hospitals, to hospitals providing disproportionate trauma and emergency care services, and for other emergency medical services purposes. Up to 10 percent of the funds may be used for administration. The measure was projected to increase funding for emergency and trauma care services Statewide by up to \$100 million annually.

On March 6, 2007, your Board adopted a resolution to implement SB 1773 in Los Angeles County, effective until January 2009, unless the measure is extended by statute. The Department of Health Services (DHS) reports that SB 1773 has resulted in collections of \$8.4 million in Los Angeles County for the period March 2007 through January 2008. However, the program has not reached its full revenue potential due to the lag in implementation. Because of the start-up time associated with administering penalties and collecting revenues, the program is unlikely to reach maximum revenue generation for several years. Upon full program maturity, collections are estimated to provide nearly \$18 million annually for emergency medical services in Los Angeles County.

SB 1236 would continue funding for emergency and trauma care services in Los Angeles County. Therefore, DHS and this office support the measure. Consistent with existing Board policy to support proposals to provide permanent, stable funding for the County's public and private emergency and trauma care system, and prior County support for SB 1773, **our Sacramento advocates will support SB 1236.**

SB 1236 is supported by Save California Trauma Centers, California Hospital Association, California Children's Hospital Association, League of California Cities, California Medical Association, California Nurses Association, University of California Hospitals, and County Health Executives Association of California. There is no registered opposition. SB 1236 passed the Senate Public Safety Committee on March 25, 2008 by a vote of 5 to 0, and now proceeds to the Senate Appropriations Committee.

Status of County Advocacy Legislation

County support if amended AB 938 (Calderon), would authorize counties (and cities, if a county does not act) to convene watershed water quality committees (Committee) composed of representatives from the regional water quality control board (RWQCB), resources agencies, water agencies, sanitation districts, environmental groups, landowners, business, industry, and agricultural interests to develop and facilitate cooperation in achieving local water quality solutions. The Committee would be

required to prepare work plans that lead to the development of watershed water quality management plans.

The bill also authorizes a city, county, or special district that provides water, sanitation, or refuse collection services to impose user-based or regulatory fees to construct, operate, and maintain facilities that divert, intercept, or collect surface runoff, treat pollutants, and return the water to water bodies. The fees must have a "fair and reasonable relationship" to the benefits of implementing a watershed water quality management plan.

As noted in our February 12, 2008 Sacramento Update, the Department of Public Works (DPW) indicated that AB 938 does not require the proposed committees to include flood control districts and does not include flood control districts as one of the special districts that could impose and use collected fees for stormwater facilities. Based on existing policy, we adopted an oppose unless amended position on AB 938 to include flood control districts as eligible entities to convene watershed water quality committees. However, we inadvertently failed to include the other amendment requested by DPW which would add flood control districts to the list of special districts that could impose fees for stormwater facilities.

Support for the amendment to allow flood control districts to charge user-based fees or regulatory fees for stormwater facilities is consistent with your Board's action of August 7, 2007 supporting SCA 12 (Torlakson), which would include stormwater and urban runoff management in the list of utility fees that may be imposed or increased without voter approval. Support is also consistent with County sponsorship of AB 564 (Brownley), which would authorize the Los Angeles County Flood Control District to implement storm water fees to fund clean water programs. **Therefore, our Sacramento advocates will continue to support AB 938 if amended to include flood control districts as eligible entities to convene watershed water quality committees AND include flood control districts as eligible entities to impose user-based or regulatory fees for stormwater facilities.**

AB 938 is supported by the California Major Builders Council, California Association of Realtors, California Business Properties Association, and the Southern California Water Committee. There is no known opposition. This measure is currently in the Senate Environmental Quality Committee awaiting a hearing date.

County-supported AB 1491 (Jones), as amended on March 3, 2008, which would extend the deadline for the transfer of trial court facilities from counties to the State, passed the Assembly Judiciary Committee on Tuesday April 1, 2008 by a vote of 7 to 0. The measure now proceeds to the Assembly Appropriations Committee.

County-opposed AB 2262 (Torrico), which would expand the timeframe to safely surrender a newborn from 72 hours to up to seven days, passed the Assembly Public Safety Committee on April 1, 2008 by a vote of 5 to 1, and now proceeds to the Assembly Judiciary Committee for a hearing on April 8, 2008. A representative from Supervisor Knabe's office and our Sacramento advocates testified in opposition to the bill, and stated that expansion of the 72-hour timeframe is arbitrary and subjective, especially when data and research more than justifies the current law as written.

Legislation of County Interest

SB 1133 (Denham), as introduced on January 31, 2008, would require the State to sell the parcel of land occupied by the Los Angeles Memorial Coliseum and the Los Angeles Memorial Sports Arena (Arena) structures and the State's share of the Arena structure by authorizing the State Department of General Services (DGS) to establish a process to solicit bids for the fair market sale of the parcel of land and the Arena structure. SB 1133 provides that any buyer who specifies that they will continue with the same use of the parcel of land and the Los Angeles Memorial Sports Arena structure would be exempt from any applicable State and local environmental laws and regulations with regard to improvements, construction, or remodeling.

SB 1133 would terminate the Los Angeles Memorial Coliseum Commission (Commission) upon the completion of the sale of the land that the Coliseum and the Arena occupy. Any outstanding revenue bonds issued to finance the construction of the Arena must be fully redeemed in accordance with the bond indenture and the joint powers agreement between the City of Los Angeles, the County of Los Angeles, and the Sixth District Agricultural Association, referred to as the California Science Center. Provisions also would be made for the continuing administration of the Arena and for the transfer of any title and interest in the Coliseum structure that may be in the Commission to the City of Los Angeles and the County of Los Angeles, respectively.

Support and opposition to SB 1133 is currently unknown. This measure is set for hearing on April 8, 2008 in the Senate Governmental Organization Committee.

We will continue to keep you advised.

WTF:GK:MAL
DD:IGA:hg

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association